No. 24-635

In the Supreme Court of the United States

CELANESE INTERNATIONAL CORPORATION, ET AL.,
PETITIONERS

v.

INTERNATIONAL TRADE COMMISSION

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF FOR RESPONDENTS ANHUI JINHE INDUSTRIAL CO., LTD. AND JINHE USA LLC IN OPPOSITION

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QUESTION PRESENTED

Whether the Patent Act's on-sale bar, 35 U.S.C. 102(a)(1), prohibits a patentee from obtaining a patent on a process if the patentee sold products made using that process more than one year before the effective filing date of the patent.

CORPORATE DISCLOSURE STATEMENT

Respondent Jinhe USA LLC is a wholly-owned subsidiary of Respondent Anhui Jinhe Industrial Co., Ltd. Anhui Jinhe Industrial Co., Ltd. is a publicly-held company. No company owns 10% or more of Anhui Jinhe Industrial Co., Ltd.'s stock.

TABLE OF CONTENTS

TABLE OF AUTHORITIES

TABLE OF AUTHORITIES
(continued)

Cases (continued) **Page(s)**

Statutes and Regulation

TABLE OF AUTHORITIES
(continued)

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1a-18a) is reported at 111 F.4th 1338. The decision of the International Trade Commission (Pet. App. 26a-45a) is unreported but is available at 2022 WL 1043922.

JURISDICTION

The judgment of the court of appeals was entered on August 12, 2024. The petition for a writ of certiorari was filed on December 10, 2024. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

Petitioners Celanese International Corporation, Celanese (Malta) Company 2 Limited, and Celanese Sales U.S. Ltd. (collectively, Celanese) filed a complaint before the International Trade Commission

(Commission), alleging that respondents Anhui Jinhe Industrial Co. and Jinhe USA LLC (collectively, Jinhe) imported products that were made using a process that infringed Celanese's patents. The Commission held that the patents are invalid under the Patent Act's on-sale bar, 35 U.S.C. 102(a)(1), (b)(1), Pet. App. 26a-45a, and the Federal Circuit affirmed, *id.* at 1a-18a. Both the Commission and the Federal Circuit recognized that a straightforward application of this Court's recent decision in *Helsinn Healthcare S.A.* v. *Teva Pharmaceuticals USA, Inc.*, 586 U.S. 123 (2019), resolves this case. Pet. App. 10a, 34a.

A. Legal Background

1. The federal patent system seeks to strike a balance between "motivating innovation" and "avoiding monopolies that unnecessarily stifle competition." *Pfaff* v. *Wells Elecs., Inc.*, 525 U.S. 55, 63 (1998). One way Congress has struck that balance is by placing conditions on patenting that prevent inventors from extending the statutory patent term. The on-sale bar is one of those conditions.

The on-sale bar prevents a patentee from obtaining a patent if he or she exploited the claimed invention commercially for one year or more before applying for the patent. *Helsinn*, 586 U.S. at 128. This is a longstanding feature of federal patent law; "[e]very patent statute since 1836 has included an on-sale bar." *Id.* at 129.

2. The Federal Circuit has a substantial body of law applying the on-sale bar, which has informed this Court's understanding of the bar. *Helsinn*, 586 U.S. at 131. The Federal Circuit has long held that the on-sale bar applies when the patentee's attempt to commercialize the patent takes place in secret. For patents on products, the Federal Circuit has held that

the on-sale bar applies when the patentee sells a product embodying the claimed invention, but the buyer keeps the sale or the details of the invention secret. *Helsinn Healthcare S.A.* v. *Teva Pharms. USA, Inc.*, 855 F.3d 1356, 1370 (Fed. Cir. 2017), aff'd, 586 U.S. 123; see, *e.g.*, *Buildex Inc.* v. *Kason Indus., Inc.*, 849 F.2d 1461, 1464 (Fed. Cir. 1988). For patents on processes, the Federal Circuit has held that the on-sale bar applies when the claimed process is kept secret but the patentee sells products made using that process. *D.L. Auld Co.* v. *Chroma Graphics Corp.,* 714 F.2d 1144, 1147-1148 (Fed. Cir. 1983).

3. In 2011, Congress enacted the Leahy-Smith America Invents Act (AIA), Pub. L. No. 112-29, 125 Stat. 284. As part of the AIA, Congress re-enacted the on-sale bar with only minimal changes to its language. *Helsinn*, 586 U.S. at 130. The pre-AIA on-sale bar provision stated:

> A person shall be entitled to a patent unless – * * * (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country.

35 U.S.C. 102 (2006). The on-sale bar now states:

> A person shall be entitled to a patent unless – (1) the claimed invention was patented, described in a printed publication, or in public use, on sale, or otherwise available to the public.

35 U.S.C. 102(a).

In *Helsinn*, this Court determined that Congress "did not alter the meaning of 'on sale' when it enacted the AIA." 586 U.S. at 132. The Court explained that "Congress enacted the AIA * * * against the backdrop of a substantial body of law interpreting § 102's on-sale bar" and found that nothing in the AIA's text, structure, or legislative history indicated that Congress intended to "upset that body of precedent." *Id.* at 130-132.

B. Factual Background

1. This case involves a process for making acesulfame-potassium (Ace-K), an artificial sweetener used in food, drinks, and medicines. Pet. App. 28a. No relevant facts are in dispute. *Id.* at 31a; see Pet. 10.

Jinhe is one of the world's leading producers of Ace-K. C.A. App. 5335. It supplies Ace-K to many of the world's major food and beverage companies, including companies in the United States. *Ibid.*; see Pet. App. 2a.

Celanese is a competing manufacturer of Ace-K. Pet. App. 3a. It has sold Ace-K in the United States since at least 2011. *Id.* at 31a. Celanese's process for making Ace-K has not materially changed since 2011. *Ibid.*

Celanese filed applications seeking to patent aspects of its process for making Ace-K in September 2016, about five years after it started selling Ace-K made using that process. Pet. App. 27a-28a. Celanese kept its process secret until it disclosed the process in its patent applications. *Id.* at 28a. Each patent has an effective filing date of September 21, 2016, so each is governed by the AIA. *Id.* at 3a; see 35 U.S.C. 101 note (AIA applies to patent applications filed after September 16, 2011).

C. Procedural History

1. Celanese filed a complaint before the Commission, alleging that Jinhe and others imported Ace-K made using a process that infringes Celanese's patents. Pet. App. 2a; see 19 U.S.C. 1337. Jinhe moved for summary determination on the ground that the

asserted claims are invalid under the AIA's on-sale bar. Pet. App. 3a.

2. An administrative law judge (ALJ) granted Jinhe's motion. Pet. App. 41a. Celanese did not dispute that it sold Ace-K made using the claimed process for more than one year before the effective filing date of the patents. *Id.* at 31a. It also did not dispute that, under pre-AIA precedent, those sales would have triggered the on-sale bar. *Ibid.* So the only question was whether the AIA had "changed the meaning of the on-sale bar," such that Celanese's sales no longer trigger the bar. *Ibid.*

The ALJ recognized that *Helsinn* provided the framework to answer that question. Pet. App. 34a. The question in *Helsinn*, the ALJ observed, was whether Congress intended to change the scope of the on-sale bar with respect to secret sales of patented products when it enacted the AIA. *Id.* at 32a This Court answered that question, the ALJ explained, by first reviewing the pre-AIA law in the Federal Circuit, and by then determining that Congress had not abrogated that settled understanding in the AIA. *Id.* at 34a. Applying that framework here, the ALJ concluded that the on-sale bar applies to Celanese's claims, because settled Federal Circuit law applied the bar to sales of products made using secret patented processes, and nothing in the AIA showed an intent to abrogate that settled understanding. *Id.* at 34a-40a.

The ALJ recognized that *Helsinn* involved a slightly different factual scenario than this case, because it involved a patented product, as opposed to a patented process. Pet. App. 34a-35a. But, the ALJ determined, that difference does not change the analysis, because the meaning of the on-sale bar was long settled for both, and nothing in the AIA changed that understanding. *Id.* at 35a. The ALJ rejected Celanese's argument that the substitution of the phrase "claimed invention" for "invention" showed an intent to exclude sales of products made using patented processes from the on-sale bar; in the ALJ's view, that would be an awfully "oblique" way to show that Congress intended to overturn "a settled body of law." *Ibid.* (internal quotation marks omitted).

The Commission declined to review the ALJ's decision, thus making the ALJ's decision the final decision of the Commission. Pet. App. 19a; see 19 C.F.R. 210.42(h)(2).

3. The Federal Circuit affirmed. Pet. App. 1a-18a. It agreed with the Commission that the on-sale bar invalidates Celanese's asserted claims. *Id.* at 6a.

The court of appeals explained that *Helsinn* "guides [the] inquiry" in this case. Pet. App. 10a. Here, as in *Helsinn*, "long-settled pre-AIA precedent" established that "the on-sale bar applies" in the factual situation at issue (sales of products made using a secret process). *Ibid.* The court of appeals had "long held that sales of products made using a secret process before the critical date would bar the patentability of that process," including in *D.L. Auld Co.* v. *Chroma Graphics Corp.*, *supra*, and in many other decisions where it "reiterated that same holding." *Id.* at 6a-7a (citing cases). The court's holding about patented processes "is consistent with Supreme Court precedent going back to the 1800s." *Ibid.* Thus, the court explained, "under long-settled pre-AIA precedent," "Celanese's prior sales of Ace-K made using its secret process, well before the critical date, would have triggered the on-sale bar." *Id.* at 8a. So, the court explained, the only question is whether the AIA upset that settled understanding of the on-sale bar. *Id.* at 10a.

The court of appeals then explained that here, as in *Helsinn*, nothing in the AIA's text, structure, or history shows that Congress intended to abrogate that settled understanding. Pet. App. 10a-18a. The court rejected Celanese's arguments that textual changes to the on-sale bar in the AIA and snippets of legislative history showed an intent to abrogate the pre-AIA precedent, noting that *Helsinn* had "explicitly rejected" many of those same arguments. *Id.* at 11a-18a. The court found "no support for Celanese's proposition that Congress intended to alter the on-sale bar as applied to process inventions." *Id.* at 14a.

ARGUMENT

Celanese renews its argument (Pet. 12-32) that Congress abrogated the settled understanding of the on-sale bar, as it applies to process patents, when it enacted the AIA. As the court of appeals correctly recognized, *Helsinn Healthcare S.A.* v. *Teva Pharmaceuticals USA, Inc.*, 586 U.S. 123 (2019), provides the framework for answering that question. And under that framework, this is an easy case: Settled precedent from this Court and the Federal Circuit established that the on-sale bar applies in the circumstances here, and nothing in the AIA shows Congress's intent to abrogate that settled understanding.

Celanese repeats arguments it made to the Federal Circuit, but that court thoroughly considered and correctly rejected all of them. At bottom, Celanese simply disagrees with this Court's decision in *Helsinn*, but it does not actually ask the Court to overrule that decision, or provide any compelling reason for this Court to grant review. Further review is therefore unwarranted.

I. THE COURT OF APPEALS' DECISION IS CORRECT

A. *Helsinn* Provides The Framework For Determining Whether The On-Sale Bar Invalidates Celanese's Claims

1. The on-sale bar provides that a person shall not be "entitled to a patent" if the "the claimed invention was * * * on sale" for one year or more before the "effective filing date" of the patent. 35 U.S.C. 102(a)(1), (b)(1).

This Court interpreted that provision in *Helsinn*, concluding that Congress did not intend any change in meaning when it reenacted the provision in the AIA with only minimal textual changes. 586 U.S. at 131-132. *Helsinn* involved a patent on a drug that treated chemotherapy-induced nausea. *Id.* at 126. More than one year before filing the patent application, the patent owner agreed to sell the drug at the dosage claimed in the patent. *Ibid.* The patent owner disclosed the sale but kept the dosage secret. *Id.* at 126-127. The defendant then sought to market a generic version of the drug at that dosage, and the patent owner sued for infringement. *Id.* at 127.

This Court held that the asserted claims were invalid under the on-sale bar. 586 U.S. at 132. It was undisputed that, under pre-AIA precedent, the patent owner's sale of the drug at the secret dosage would have triggered the on-sale bar. *Ibid.* The patent owner argued that the AIA changed the meaning of the on-sale bar, to require that a sale make all of the details of the invention public in order to trigger the bar. *Id.* at 128. This Court unanimously rejected that argument, holding that Congress "did not alter the meaning of" the on-sale bar when it enacted the AIA. *Id.* at 132. The Court applied a two-step framework.

First, recognizing that Congress enacted the AIA "against the backdrop of a substantial body of law interpreting § 102's on-sale bar," the Court asked whether the pre-AIA rule about the on-sale bar's application to a secret sale of a patented product was well established. *Helsinn*, 586 U.S. at 130-131. The Court reviewed the relevant precedent and concluded that the rule about secret sales was well established in the Federal Circuit. *Ibid.* In light of that "settled pre-AIA precedent on the meaning of 'on sale,'" the Supreme Court "presume[d] that when Congress reenacted the same language in the AIA, it adopted the earlier judicial construction of that phrase." *Id.* at 131.

Second, the Court asked whether any change to the on-sale bar in the AIA showed Congress's intent to abrogate the pre-AIA understanding. 586 U.S. at 131-132. The Court noted that Congress had reenacted the key language – "on sale" – without any change. *Ibid.*; compare 35 U.S.C. 102(b) (2006) ("A person shall be entitled to a patent unless * * * the invention was patented or described in a printed publication in this or a foreign country or in public use or *on sale* in this country." (emphasis added), with 35 U.S.C. 102(a)(1) ("A person shall be entitled to a patent unless * * * the claimed invention was patented, described in a printed publication, or in public use, *on sale*, or otherwise available to the public." (emphasis added)). The Court found only one potentially relevant change to the text – the addition of the catchall clause "or otherwise available to the public" to the on-sale bar. 586 U.S. at 131-132. That change, the Court explained, was too "oblique" to show that "Congress intended to alter the meaning of the reenacted term 'on sale.'" *Id.* at 131 (internal quotation marks omitted). The Court accordingly held that the patent owner's secret sale had triggered the on-sale bar, invalidating the claims. *Id.* at 132.

In the years since *Helsinn*, Congress has not acted to amend the on-sale bar, evidencing its agreement with the Court's decision. See *Monessen Sw. Ry.* v. *Morgan*, 486 U.S. 330, 338 (1988).

2. The Federal Circuit correctly recognized that *Helsinn* governs the analysis here. Pet. App. 10a. Yet Celanese largely ignores *Helsinn* in its petition.

Celanese argues (Pet. 30-32) that *Helsinn* does not apply because that case involved the sale of a patented product, whereas this case involves the sale of a product made using a patented process. But the reasoning in *Helsinn* is just as binding as its holding. Pet. App. 10a; see *Seminole Tribe of Fla.* v. *Florida*, 517 U.S. 44, 67 (1996) ("When an opinion issues for the Court, it is not only the result but also those portions of the opinion necessary to that result by which we are bound.").

Further, nothing in *Helsinn*'s reasoning depends on a difference between secret sales of products and sales of products made using secret processes. Instead, the Court focused on the settled construction of the phrase "on sale," and concluded that by reenacting that phrase, Congress intended to adopt the settled meaning of the on-sale bar. *Helsinn*, 586 U.S. at 130-131. The Court's approach is not novel; it is an application of the principle that "[w]hen administrative and judicial interpretations have settled the meaning of an existing statutory provision, repetition of the same language in a new statute indicates, as a general matter, the intent to incorporate its administrative and judicial interpretations as well." *Bragdon* v. *Abbott*, 524 U.S. 624, 645 (1998); see, *e.g.*, *George* v. *McDonough*, 596 U.S. 740, 746 (2022) ("Where

Congress employs a term of art * * * , it brings the old soil with it." (internal quotation marks omitted)).

B. The Federal Circuit Correctly Applied *Helsinn*

The Federal Circuit correctly applied *Helsinn*'s framework in this case. Long-settled pre-AIA precedent from this Court and the Federal Circuit established that the on-sale bar applied to a secret sale of a product made using a patented process, Pet. App. 10a, and nothing in the AIA demonstrates Congress's intent to abrogate that understanding, *id.* at 11a-18a.

1. The rule that a patentee's sale of a product made using a secret process triggers the on-sale bar was well established when Congress enacted the AIA

a. The Federal Circuit "has long held that sales of products made using a secret process * * * bar the patentability of that process." Pet. App. 6a. It first adopted that rule four decades ago in *D.L. Auld Co.* v. *Chroma Graphics Corp.,* 714 F.2d 1144 (Fed. Cir. 1983), when it held that a process for making cast decorative emblems was "on sale" when the patentee sold a product made using the process. *Id.* at 1149-1152. And it has reaffirmed the rule on many occasions.[1]

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[1] See, *e.g.*, *BASF Corp.* v. *SNF Holding Co.*, 955 F.3d 958, 969 (Fed. Cir. 2020); *Quest Integrity USA, LLC* v. *Cokebusters USA Inc.*, 924 F.3d 1220, 1227-1228 (Fed. Cir. 2019); *Medicines Co.* v. *Hospira, Inc.*, 827 F.3d 1363, 1376 (Fed. Cir. 2016) (en banc); *ResQNet.com, Inc.* v. *Lansa, Inc.*, 594 F.3d 860, 866 (Fed. Cir. 2010); *In re Kollar*, 286 F.3d 1326, 1333 (Fed. Cir. 2002); *Brasseler, USA I, LP* v. *Stryker Sales Corp.*, 182 F.3d 888, 891 (Fed. Cir. 1999); *In re Caveney*, 761 F.2d 671, 675 (Fed. Cir. 1985); see also 2A *Chisum on Patents* § 6.02[6][f] (2022) (the Federal Circuit's precedent establishes that "performing the patented method for commercial purposes before the critical date constitutes a sale under § 102(b)" (internal quotation marks omitted)).

That rule is grounded in the text of the on-sale bar. The key question is what it means for a process to be "on sale." The Federal Circuit recognized that a process "is * * * not sold in the same sense as is a tangible item." *In re Kollar*, 286 F.3d 1326, 1332 (Fed. Cir. 2002). Instead, a process should be considered "on sale" when the patentee "is commercializing the patented process in the same sense as would occur when the sale of a tangible patented item takes place." *Id.* at 1333; see *Atlanta Attachment Co.* v. *Leggett & Platt, Inc.*, 516 F.3d 1361, 1365 (Fed. Cir. 2008) (in the context of the on-sale bar, to "sell" is to "commercialize"). The Federal Circuit thus defined the phrase "on sale," for patented processes, to mean the situation where "the (1) inventors sought compensation (2) from the buying public for (3) performing the claimed processes or methods." *Medicines Co.* v. *Hospira, Inc.*, 827 F.3d 1363, 1374 (Fed. Cir. 2016) (en banc).

That result comports with the ordinary meaning of "on sale." A person can "sell" intangible services by agreeing to perform the services to produce a tangible result. For example, a lawyer who prepares a brief can be said to have "sold" his or her legal services. Here, Celanese indisputably commercialized its process for making Ace-K by performing that process in exchange for money. That is a "sale" of the process within the meaning of the on-sale bar. *Medicines Co.*, 827 F.3d at 1376.

The *D.L. Auld* court did not pull the rule about the sale of processes from thin air. See Pet. App. 7a. Instead, it drew on the Second Circuit's decision in *Metallizing Engineering Co.* v. *Kenyon Bearing & Auto Parts Co.*, 153 F.2d 516 (2d Cir. 1946). See 714 F.2d at 1147. *Metallizing* also involved a patentee who had sold products made using a secret process. 153 F.2d at 517-518. In a decision authored by Judge Learned

Hand, the Second Circuit held that the patentee had "forfeit[ed] his right to a patent" to the process by making those sales. *Id.* at 518-520. The Second Circuit explained that the on-sale bar puts inventors to a choice: They can choose "either secrecy, or legal monopoly," but not both, as that would serve only to "extend the period of [the] monopoly." *Id.* at 520.

The Second Circuit also was not writing on a blank slate. It relied on the reasoning of even earlier decisions of this Court and the courts of appeals, see *Metallizing*, 153 F.2d at 518-520, starting with *Pennock* v. *Dialogue*, 27 U.S. (2 Pet.) 1 (1829), where this Court had invalidated a patent on a process for making a hose because the patentee had sold hose made using that process, *id.* at 11. Although *Pennock* involved the related public-use bar rather than the on-sale bar (which did not exist at the time), courts have come to recognize *Pennock* as the "seminal" decision on the "theory of the statutory on-sale bar." *Helsinn*, 855 F.3d at 1369; see Pet. App. 7a-8a.

Notably, the rule about secret processes is more well established than the rule about secret sales at issue in *Helsinn*. Here, settled precedents (*D.L. Auld* and *Metallizing*) involve the same exact factual situation of a patentee selling a product made using a secret process, Pet. App. 6a-7a, whereas in *Helsinn*, the Court relied on precedents that set out the principle that the on-sale bar applies to secret sales but that did not involve the exact fact pattern at issue (a public sale where one key detail about the claimed product was kept confidential by both the buyer and the seller), see 586 U.S. at 131 (citing *Special Devices Inc.* v. *OEA, Inc.*, 270 F.3d 1353, 1357 (Fed. Cir. 2001), and *Woodland Tr.* v. *Flowertree Nursery, Inc.*, 148 F.3d 1368, 1370 (Fed. Cir. 1998)).

Thus, the rule that a patentee's sale of a product made using a secret process triggers the on-sale bar is "long-settled," resting on nearly two centuries of precedents from this Court and the Federal Circuit. Pet. App. 8a. The Federal Circuit correctly "presume[d] that when Congress reenacted" the on-sale bar in the AIA, Congress "adopted" the rule about sales of products made using secret processes. *Helsinn*, 586 U.S. at 131; see Pet. App. 10a.

b. Celanese argues (Pet. 24-28) that the pre-AIA rule about secret processes is not well established. It is mistaken.

First, Celanese argues (Pet. 27) that the rule about sales of products made using secret processes is not well settled because the Federal Circuit has adopted two meanings of "on sale": one for when the sale is made by the patentee, and one for when a third party makes the sale. That is incorrect. The Federal Circuit has explained that it evaluates third-party use under the separate "public use" bar, not the on-sale bar. *Caveney*, 761 F.2d at 675 n.5; see *W.L. Gore & Assocs.* v. *Garlock, Inc.*, 721 F.2d 1540, 1550 (Fed. Cir. 1983) (third party's sale of a product made using the claimed process was not a "public use" that bars patenting). Thus, there was only one relevant construction of "on sale" for Congress to adopt. Even if both rules were relevant here, both rules equally were well established at the time Congress enacted the AIA. See, *e.g.*, *Caveney*, 761 F.2d at 675. So Congress should be presumed to have adopted both rules.

Second, Celanese tries to distinguish this Court's decision in *Pennock*, arguing (Pet. 24-25) that it involved a patent on the hose itself, rather than for the process for making the hose. That is incorrect; Justice Story's opinion for the Court describes the invention as an "improvement *in the art of making* leather tubes or hose." 27 U.S. at 11 (emphasis added); see *id.* at 1 (headnote) (describing the "invention" as "the mode of making the hose"); see also *Pennock* v. *Dialogue*, 19 F. Cas. 171, 171 (C.C.E.D. Pa. 1825) (synopsis) (summarizing the claims), aff'd, 27 U.S. 1. Anyway, *Pennock* is not the only decision establishing the settled rule; it is the first of many decisions all barring patenting in the circumstances here. See pp. 11-14, *supra*.

Third, Celanese argues (Pet. 25-26) that the Federal Circuit has issued too few decisions about secret processes for the rule to be well established. That is flat wrong; the Federal Circuit has "reiterated the same holding" in many decisions. Pet. App. 7a; see n.1, *supra*.[2] Celanese also suggests (Pet. 25) that only this Court can establish a settled construction of the statute. But this Court in *Helsinn* relied principally on the Federal Circuit's precedents, given that court's expertise in patent appeals. 586 U.S. at 131; see Pet. App. 9a. In any event, this Court's decision in *Pennock* also supports the rule that a patentee's sale of a product made using a secret process triggers the on-sale bar. 27 U.S. at 11.

Finally, Celanese argues (Pet. 26-27) that the Federal Circuit's decisions should not be considered well

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[2] Celanese asserts (Pet. 26) that *Medicines Co.*, *Kollar*, and *Caveney* only addressed the issue in *dicta*. That is wrong: Those decisions unequivocally state that the on-sale bar applies to processes, in reasoning essential to their dispositions. *Medicines Co.*, 827 F.3d at 1376 ("[W]e have held that the sale of products made using patented methods triggers the on-sale bar."); *Kollar*, 286 F.3d at 1333 (process is "on sale" when the patentee "is commercializing the patented process in the same sense as would occur when the sale of a tangible patented item takes place"); *Caveney*, 761 F.2d at 675 (noting relevance of on-sale bar "where a patented method is kept secret and remains secret after a sale of the unpatented product of the method").

established because they are atextual. That is incorrect; the decisions are firmly grounded in the statutory term "on sale." See p. 12, *supra.*

2. Nothing in the AIA abrogated the settled rule about secret processes

Nothing in the text, structure, or history of the AIA shows Congress's intention to abrogate the rule that a patentee's sale of a product made using a secret process triggers the on-sale bar. All of Celanese's arguments were thoroughly considered and appropriately rejected by the Federal Circuit.

a. Celanese makes two arguments about the text of the on-sale bar. Both lack merit.

Celanese argues (Pet. 13-14) that Congress's replacement of "invention" with "claimed invention" in the AIA's on-sale bar means that the invention must itself be on sale for the on-sale bar to apply, and that an offer to sell a product made using a claimed process is not an offer to sell the process itself. That is wrong for several reasons.

First, the pre-AIA Section 102(b)'s reference to "invention" already meant "claimed invention"; the statute could not have referred to anything else. Pet. App. 11a-12a. Indeed, the Federal Circuit's pre-AIA on-sale bar precedents have "interchangeably referred to the invention at issue as the 'claimed' invention." *Id.* at 12a; see, *e.g.*, *Medicines Co.*, 827 F.3d at 1374; *Kollar*, 286 F.3d at 1333; *Caveney*, 761 F.2d at 675. So this minor revision to the statute does not signal a "foundational" change in the law about the on-sale bar. Pet. App. 12a. Rather, Congress simply was updating and standardizing the terminology in the patent laws, *ibid.*; the term "claimed invention" is used throughout the AIA, see, *e.g.*, 35 U.S.C. 103.

Second, even if Celanese were correct about the meaning of "claimed invention," a process is "on sale" when the patentee sells a product made using that process. As the Federal Circuit has explained, that is what "on sale" means in this context. *E.g.*, *Medicines Co.*, 827 F.3d at 1374; *Kollar*, 286 F.3d at 1332-1333; *D.L. Auld*, 714 F.2d at 1149-1152.

More generally, Celanese's "claimed invention" argument is a red herring. The key statutory term here is not "claimed invention" but "on sale." As Celanese admits (Pet. 35), there is no dispute about the meaning of "claimed invention" – it is "the *process* Celanese used to make Ace-K." Pet. App. 11a. The issue is what it means for that process to be "on sale," and it is well established that a process is "on sale" when the patentee sells a product made using that process.

Celanese also argues (Pet. 13-14) that the addition of "otherwise available to the public" to the AIA's on-sale bar shows that Congress did not intend the on-sale bar to apply to sales that take place in secret. See 35 U.S.C. 102(a)(1) (prohibiting a person from obtaining a patent if "the claimed invention was * * * on sale, or otherwise available to the public"). But this Court "explicitly rejected" this exact argument in *Helsinn*, Pet. App. 13a, holding that the addition of "otherwise available to the public" was too "oblique" to show that "Congress intended to alter the meaning of the reenacted term 'on sale,'" 586 U.S. at 131 (internal quotation marks omitted). That reasoning applies equally here. See Pet. App. 13a. Tellingly, Celanese does not ask this Court to revisit *Helsinn*.

b. Celanese also argues that the text in other provisions in the AIA informs the meaning of the on-sale bar. Those arguments also are mistaken.

First, Celanese relies (Pet. 15-20) on the grace-period provision in Section 102(b)(1). Section 102(a)(1) sets out the various types of prior art that can bar patentability, including prior sales. See 35 U.S.C. 102(a)(1). Section 102(b)(1) then states that a "disclosure" made one year or less before the effective filing date "shall not be prior art" under Section 102(a)(1). 35 U.S.C. 102(b)(1). Thus, Section 102(b)(1) provides a "grace period" for the bars to patentability in Section 102(a)(1), including the on-sale bar.

Celanese argues (Pet. 23-25) that if a sale of a product made using a secret process triggers the on-sale bar, there would be no grace period because that sale "involves no disclosure." Pet. App. 14a (quoting Celanese's argument; emphasis omitted). Celanese's argument is that the sale of a product made using a patented process does not involve a disclosure because the process is kept secret. *Id.* at 15a.

Celanese is mistaken. First, the grace-period provision "is not implicated here because Celanese's prior sales at issue occurred well outside of the one-year grace period window." Pet. App. 15a. Second, Celanese's understanding of "disclosure" is wrong, because a secret sale can trigger the on-sale bar. *Helsinn*, 586 U.S. at 132. Celanese's argument is directly contrary to *Helsinn*; if Celanese were correct that only a "disclosure" can trigger the on-sale bar, then no secret sales would count. The term "disclosure" in Section 102(b)(1) is coextensive with Section 102(a)(1), meaning that any publication, use, or sale that is a bar to patentability under Section 102(a)(1) is a "disclosure" under Section 102(b)(1). See H.R. Rep. No. 98, 112th Cong., 1st Sess. 43 (2011) (House Report) (grace period is supposed to apply to each type of prior art). So if a sale triggers the on-sale bar under Section

102(a)(1), it can qualify for the grace period under Section 102(b)(1).[3]

Second, Celanese relies (Pet. 14-15) on Section 271(a) and Section 271(g). Section 271(a) provides that an unauthorized offer to sell or sale of a patented invention infringes the patent, 35 U.S.C. 271(a), and Section 271(g) provides that a sale of a product made using a patented process constitutes infringement, 35 U.S.C. 271(g). Celanese argues that the language of the on-sale bar is more like the language in Section 271(a) than Section 271(g), and so the on-sale bar should be read to exclude sales of products made by claimed processes.

Section 271(a) and Section 271(g) are completely inapposite here. They address *infringement* of patents by third parties, not the *validity* of patents based on the sales activity of the inventors or applicants. Validity and infringement "are distinct issues concerning different actors and actions, governed by different frameworks with different rationales." Pet. App. 16a (citing *Commil USA, LLC* v. *Cisco Sys., Inc.*, 575 U.S. 632, 644 (2015)). Thus, Section 271(a) and Section 271(g) do not "govern the interpretation" of the on-sale bar. *Ibid.* "The fact that Congress elected to write *infringement*-related sections in a certain way does not support a conclusion that Congress meant to rewrite sections on *patentability*." *Ibid.*

Further, unlike Section 271(a), the on-sale bar has long been understood to include both patented products and patented processes. The reason Congress enacted Section 271(g) is because the Federal Circuit

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[3] Celanese asserts (Pet. 17) that Jinhe and the Commission do not agree on this point. That is incorrect; the Commission did not take a position on this point because Celanese never made this argument before the Commission.

and other courts of appeals had held that Section 271(a) does not apply to a sale of a product made using a patented process. See, *e.g.*, *Zoltek Corp.* v. *United States*, 672 F.3d 1309, 1322 (Fed. Cir. 2012) (en banc). So Congress enacted Section 271(g) to expressly provide that a sale of a product made using a patented process constitutes infringement. See 35 U.S.C. 271(g). But the on-sale bar has long been understood to include both patented products and patented processes. See pp. 11-14, *supra*. So there is no need for a separate provision to apply the on-sale bar to processes (like Section 271(g) for infringement).

Third, Celanese relies (Pet. 15) on Section 273(a). That provision provides a defense against infringement to a prior user of a patent who sold the "useful end result" of the patent. 35 U.S.C. 273(a)(1). According to Celanese (Pet. 15), because Congress did not include "useful end result" in the AIA's on-sale bar, that means Congress did not intend the on-sale bar to apply to a patentee's sale of a product made using a claimed process.

Again, Section 273(a) is inapposite because it "concern[s] infringement," not patentability. Pet. App. 16a. Further, "useful end result" already existed in the pre-AIA version of Section 273. See 35 U.S.C. 273(a)(1) (2006). So contrary to Celanese's view, the Congress that enacted the AIA did not affirmatively choose to insert that term only into AIA Section 273 and not into the AIA's on-sale bar provision.

In any event, the key statutory term in the on-sale bar is "on sale," and "on sale" has long been interpreted to include sales of products made using claimed processes. See p. 12, *supra*. So Congress did not need to insert "useful end result" into the AIA's on-sale bar provision to cover sales of products made using claimed processes; the provision already covered those sales.

c. Finally, Celanese argues (Pet. 20-21) that abrogating the rule about secret processes would advance Congress's objective of harmonizing U.S. patent laws with other patent systems. But other major patent systems do not even have an on-sale bar. See, *e.g.*, Convention on the Grant of European Patents art. 54(2), Oct. 5, 1973, 1065 U.N.T.S. 199, 272; Patent Law of the People's Republic of China, art. 22 (1984) (amended Oct. 2020). Given that fundamental difference in approaches, making one change to the scope of the on-sale bar will not do much to help harmonize the U.S. patent system with other systems.

In any event, "no legislation pursues its purposes at all costs." *Rodriguez* v. *United States*, 480 U.S. 522, 525-526 (1987). The AIA's legislative history confirms that Congress was not pursuing harmonization above all else, but instead sought to create a new patent system that "[d]raw[s] on the best aspects" of existing systems. House Report 42. Indeed, Congress retained the on-sale bar when other systems do not have that concept. That confirms that Congress did not intend to abrogate any of this Court's precedents about the scope of the on-sale bar in the name of international harmony.

II. NOTHING ABOUT THIS CASE WARRANTS THIS COURT'S REVIEW

A. Celanese Provides No Compelling Reason For Further Review

Celanese argues (Pet. 32-35) that the question presented is important. But for the most part, its arguments merely repackage its (mistaken) arguments on the merits. See Pet. 34 (repeating argument about one-year grace period); *id.* at 35 (rehashing argument that the court of appeals' decision is atextual). Further, Celanese is wrong to say that the Federal Circuit's decision will create uncertainty or lead to additional litigation.

Celanese argues (Pet. 32-33) that the court of appeals' decision creates uncertainty, but it never explains how. The Federal Circuit's rule is clear: The on-sale bar applies to a patentee's sales of a product made using a secret patented process. Pet. App. 6a-8a. There is no uncertainty about when the rule applies. And this is the same rule that has been recognized and applied by the Federal Circuit in many decisions dating back over forty years. See *D.L. Auld*, 714 F.2d at 1147; see also n.1, *supra*. It also is the same rule set out by the Second Circuit in *Metallizing* in 1946, and in the *Pennock* decision of this Court from 1829. See pp. 12-14, *supra*. In all that time, the rule has proven to be workable. There is no reason to believe that the rule will cause confusion now.

Celanese contends (Pet. 33-34) that the court of appeals' decision will increase the costs of obtaining patents and of litigating patent validity because inventors will have to "monitor secret uses that are not easily discoverable." But the Federal Circuit's rule applies only to a *patentee*'s sales of products made using a secret process, not to third-party sales. *Caveney*, 761 F.2d at 675. A patentee obviously knows whether it is selling products made using its own process. So Celanese's argument falls apart.

Celanese also argues (Pet. 32-33) that the Federal Circuit's rule "disfavor[s]" process patents. That is incorrect; the rule places process patents on the same footing as product patents. It is undisputed that the on-sale bar applies to a patentee's sales of a patented product. *Helsinn*, 586 U.S. at 132. But under Celanese's view, the on-sale bar would not apply to a patentee's sales of a product made by a patented process. That rule would give inventors an easy path to circumventing the on-sale bar by recasting their product patents as process patents for making those products. See *Medicines Co.*, 827 F.3d at 1376. The Federal Court's rule sensibly avoids that result by applying the on-sale bar to a patentee's commercial exploitation of a process patent, just as the on-sale bar applies to the commercial exploitation of a product patent.

Finally, Celanese argues (Pet. 34-35) that the court of appeals' decision encourages inventors to keep their inventive processes secret instead of disclosing them to the public. To the contrary, the decision merely puts inventors to the same choice they always have had under the on-sale bar: They can choose "either secrecy, or legal monopoly," but not both, as that would serve only to "extend the period of [the] monopoly." *Metallizing*, 153 F.2d at 518-520.

B. This Case Is A Particularly Poor Vehicle For Further Review

The Court should not grant review in this case, in particular, for two additional reasons.

First, *Helsinn* is controlling here, and yet Celanese mostly ignores it. *Helsinn* was decided recently, and its framework directly applies to this case. See Pet. App. 10a-18a. Many of the arguments Celanese made to the Federal Circuit and that it now makes to this Court were specifically considered and rejected in *Helsinn*. *Id.* at 13a. But Celanese does not argue that *Helsinn* was wrongly decided or that the Court should overrule *Helsinn*.

Yet at bottom, Celanese's arguments are no more than an attack on *Helsinn*. Celanese's view is that the AIA wrought a sea-change in the law of the on-sale bar. *E.g.*, Pet. 12-15. This Court specifically rejected that argument in *Helsinn*, holding that Congress "did not alter the meaning of 'on sale' when it enacted the AIA." 586 U.S. at 132. Because Celanese gives short shrift to *Helsinn*, but does not actually ask the Court to revisit that decision, this case is a poor candidate for further review.

Second, Celanese is attempting to do exactly what the on-sale bar was intended to prevent. The on-sale bar "confin[es]" the inventor's legal monopoly on an invention "to the statutory term." *Pfaff* v. *Wells Elecs., Inc.*, 525 U.S. 55, 64 (1998). Allowing a patentee to commercialize a process in secret for years and then obtain a patent for the full patent term when the patentee senses that rivals are about to catch up is directly contrary to that goal, because it effectively allows the patentee to add those extra years to the patent monopoly. See *Atlanta Attachment*, 516 F.3d at 1365; *Metallizing*, 153 F.2d at 520.

That is precisely what Celanese seeks here. It commercially exploited its process for making Ace-K for at least five years before seeking a full 20-year patent term on that same process. Pet. App. 31a. In effect, Celanese seeks to extend its monopoly by an extra five years, delaying its process from entering the public domain by that amount of time. This Court should not facilitate that gamesmanship.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

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